

a group of persons under common control where 1 or more of such persons is not a corporation.

(g) **OTHER LAW APPLICABLE.**—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 4081 of such Code shall, insofar as applicable and not inconsistent with the provisions of this section, apply with respect to the floor stock taxes imposed by subsection (a) to the same extent as if such taxes were imposed by such section 4081.

**SEC. 8104. BENEFITS OF TAX REDUCTION SHOULD BE PASSED ON TO CONSUMERS.**

(a) **PASSTHROUGH TO CONSUMERS.**—

(1) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(A) consumers immediately receive the benefit of the reduction in taxes under this title, and

(B) transportation motor fuels producers and other dealers take such actions as necessary to reduce transportation motor fuels prices to reflect such reduction, including immediate credits to customer accounts representing tax refunds allowed as credits against excise tax deposit payments under the floor stocks refund provisions of this title.

(2) **STUDY.**—

(A) **IN GENERAL.**—The Comptroller General of the United States and the Attorney General of the United States shall conduct a study of the reduction of taxes under this title to determine whether there has been a passthrough of such reduction.

(B) **REPORT.**—Not later than June 30, 2006, the Comptroller General of the United States and the Attorney General of the United States shall report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives the results of the study conducted under subparagraph (A).

**Subtitle B—Suspension of Royalty Relief and Certain Incentives**

**SEC. 8201. SUSPENSION OF ROYALTY RELIEF.**

(a) **NEW LEASES.**—

(1) **REQUIREMENT.**—The Secretary of the Interior (referred to in this title as the “Secretary”) shall suspend the application of any provision of Federal law under which a person would otherwise be provided relief from a requirement to pay a royalty for the production of oil or natural gas from Federal land (including submerged land) occurring on or after the date of enactment of this Act during a period in which—

(A) for the production of oil, the average price of crude oil in the United States during the 4-week period immediately preceding the suspension is greater than \$35.86 per barrel; and

(B) for the production of natural gas, the average wellhead price of natural gas in the United States during the 4-week period immediately preceding the suspension is greater than \$4.48 per 1,000 cubic feet.

(2) **DETERMINATION OF AVERAGE PRICES.**—For purposes of paragraph (1), the Secretary shall determine average prices, taking into consideration the most recent data reported by the Energy Information Administration.

(b) **RENEGOTIATION OF EXISTING LEASES.**—

(1) **REQUIREMENT.**—The Secretary shall, to the maximum extent practicable, renegotiate each lease authorizing production of oil or natural gas on Federal land (including submerged land) issued by the Secretary before the date of the enactment of this Act as the Secretary determines to be necessary to modify the terms of the lease to ensure that a suspension of a requirement to pay royalties under the lease does not apply to production described in subsection (a)(1).

(2) **FAILURE TO RENEGOTIATE AND MODIFY.**—

(A) **IN GENERAL.**—Beginning on the date that is 1 year after the date of enactment of this Act, a lessee that does not renegotiate a lease described in paragraph (1) in accordance with that paragraph shall not be eligible to enter into a new lease authorizing production of oil or natural gas on Federal land (including submerged land).

(B) **TRANSFERS.**—A lessee shall not be eligible to obtain by sale or other transfer any lease described in paragraph (1) issued before the date of enactment of this Act, unless the lessee—

(i) renegotiates the lease; and

(ii) enters into an agreement with the Secretary to modify the terms of the lease in accordance with paragraph (1).

**SEC. 8202. REPEAL OF ULTRA-DEEPWATER AND UNCONVENTIONAL ONSHORE NATURAL GAS AND OTHER PETROLEUM RESEARCH AND DEVELOPMENT PROGRAM.**

(a) **IN GENERAL.**—Subtitle J of title IX of the Energy Policy Act of 2005 is repealed.

(b) **EFFECTIVE DATE.**—The repeal under subsection (a) shall take effect on the date of the enactment of this Act.

**Subtitle C—Suspension of Certain Energy Production Tax Incentives**

**SEC. 8301. SUSPENSION OF DEDUCTION FOR INTANGIBLE DRILLING AND DEVELOPMENT COSTS.**

Section 263(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new sentence: “This section shall not apply with respect to any costs paid or incurred by a taxpayer which is an integrated oil company (as defined in section 291(b)(4)) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year or a related person to such company during the period beginning on the date of the enactment of this sentence and ending on the date on which aggregate revenues resulting from the provisions of, and amendments made by, sections 8201 through 8304 of the Gas Price Reduction Act of 2006 are estimated by the Secretary to equal the aggregate appropriations made to the Highway Trust Fund by reason of section 9503(f)(4).”

**SEC. 8302. SUSPENSION OF CREDIT FOR PRODUCING FUEL FROM A NONCONVENTIONAL SOURCE.**

Section 45K of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(h) **NONAPPLICATION OF SECTION.**—This section shall not apply with respect to any fuel described in subsection (c)(1)(A) or subsection (c)(1)(B)(i) sold by a taxpayer which is an integrated oil company (as defined in section 291(b)(4)) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year or a related person to such company during the period beginning on the date of the enactment of this subsection and ending on the date on which aggregate revenues resulting from the provisions of, and amendments made by, sections 8201 through 8304 of the Gas Price Reduction Act of 2006 are estimated by the Secretary to equal the aggregate appropriations made to the Highway Trust Fund by reason of section 9503(f)(4).”

**SEC. 8303. SUSPENSION OF AMORTIZATION OF GEOLOGICAL AND GEOPHYSICAL EXPENDITURES.**

Section 167(h) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(5) **NONAPPLICATION OF SUBSECTION.**—This subsection shall not apply with respect to any expenses paid or incurred by a taxpayer which is an integrated oil company (as defined in section 291(b)(4)) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year

or a related person to such company during the period beginning on the date of the enactment of this subsection and ending on the date on which aggregate revenues resulting from the provisions of, and amendments made by, sections 8201 through 8304 of the Gas Price Reduction Act of 2006 are estimated by the Secretary to equal the aggregate appropriations made to the Highway Trust Fund by reason of section 9503(f)(4).”

**SEC. 8304. SUSPENSION OF PERCENTAGE DEPLETION ALLOWANCE FOR OIL AND GAS PROPERTIES.**

Section 613A is amended by adding at the end the following new subsection:

“(f) **TERMINATION.**—The allowance for percentage depletion shall be zero with respect to a taxpayer which is an integrated oil company (as defined in section 291(b)(4)) which has an average daily worldwide production of crude oil of at least 500,000 barrels for the taxable year or a related person to such company during the period beginning on the date of the enactment of this subsection and ending on the date on which aggregate revenues resulting from the provisions of, and amendments made by, sections 8201 through 8304 of the Gas Price Reduction Act of 2006 are estimated by the Secretary to equal the aggregate appropriations made to the Highway Trust Fund by reason of section 9503(f)(4).”

**SA 3774.** Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 4939, making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes; as follows:

On page 190, beginning on line 7, strike “Provided,” and all that follows through “Provided further,” on line 11, and insert the following: “Provided, That of that amount, \$12,000,000 may be available for environmental cleanup and removal of debris from Department of Veterans Affairs land in Gulfport, Mississippi: *Provided further*, That of that amount, \$50,000,000 shall be available for any purpose for which funds in the ‘Construction, Major Projects’ account are available under law:”

**SA 3775.** Mr. HARKIN (for himself, Mr. JOHNSON, and Mr. KERRY) submitted an amendment intended to be proposed by him to the bill H.R. 4939, making emergency supplemental appropriations for the fiscal year ending September 30, 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

**SEC. \_\_\_\_\_. CIVIL ACTIONS FOR CERTAIN FALSE CLAIMS.**

(a) **IN GENERAL.**—Section 3730(b)(3) of title 31, United States Code, is amended—

(1) in this first sentence, by striking “The Government” and inserting “(A) Except as provided under subparagraph (B), the Government”; and

(2) by adding at the end the following:

“(B)(i) In this subparagraph, the term ‘covered civil action’ means any civil action brought under section 3729 regarding expenditures of Federal funds relating to Iraq, Afghanistan, or the global war on terrorism.

“(ii) In any covered civil action, the total of all extensions under subparagraph (A) may not exceed 365 days, except that the Government may move the court for an additional extension upon a showing of extraordinary circumstances that disclosure of particular information in the complaint, material evidence, or other information would be